



U.S. General Services Administration

FISCAL YEAR
2003

Annual Performance and Accountability Report

CREATING A SUCCESSFUL FUTURE AT GSA



The journey continues towards global solutions

HOW TO USE THIS REPORT

This Performance and Accountability Report for fiscal year (FY) 2003 provides the General Services Administration's (GSA) financial and performance information, enabling the President, Congress and the American people to assess the agency's performance as provided by the requirements of the:

- Reports Consolidation Act of 2000 and other laws;
- Government Management Reform Act of 1994;
- Government Performance and Results Act of 1993;
- Chief Financial Officers Act of 1990; and,
- Federal Managers' Financial Integrity Act (FMFIA) of 1982.

The assessment of GSA's performance contained in this report compares performance results to the agency's strategic goals and performance goals. GSA's Strategic Plan, Performance Plan, and annual Performance and Accountability Reports are available on GSA's Web site at www.gsa.gov/annualreport. GSA welcomes feedback on the form and content of this report. From our Web site choose the "Contact Us" button, and the Office of the Chief Financial Officer from the pull-down list.

This report is organized into the following major components:

1 LETTER FROM THE ADMINISTRATOR OF GSA

The Administrator's letter includes an assessment on the reliability and completeness of the financial and performance information presented in the report and a statement of assurance on the agencies management controls as required by the FMFIA.

2 MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

This section provides an overview of the financial and performance information contained in the Performance Section, Financial Section and Appendices. The MD&A includes an overview of the GSA organization, highlights of the Agency's most important performance goals and results, current status of systems and internal control weaknesses and other pertinent information such as the progress being made by GSA in implementing the President's Management Agenda (PMA) and the key management challenges identified by the Office of Inspector General (OIG).

3 PERFORMANCE SECTION

This section provides the annual performance information as required by Office of Management and Budget (OMB) Circular A-11 and the Government Performance and Results Act (GPRA). Included in this section is a detailed discussion and analysis on the agency's performance in FY 2003. For each Service and major Office, the results are presented by each Performance Goal within the six GSA Strategic Goals.

4 FINANCIAL SECTION

This section contains the details on GSA's finances in FY 2003. An introduction letter from GSA's Chief Financial Officer (CFO), followed by the Independent Auditor's Report, the Agency's audited financial statements and other supplemental financial information containing the Inspector General's response to the management challenges facing GSA, and information on the agency's Debt Management, Payments Management, Erroneous Payments and intra-government balances.

5 APPENDICES

A discussion of the data sources used in this report, summary chart of performance information, and a glossary of acronyms.

MISSION STATEMENT

GSA HELPS FEDERAL AGENCIES BETTER SERVE THE PUBLIC BY OFFERING, AT BEST VALUE, SUPERIOR WORKPLACES, EXPERT SOLUTIONS, ACQUISITION SERVICES AND MANAGEMENT POLICIES.

STRATEGIC GOALS

PROVIDE BEST VALUE FOR CUSTOMER AGENCIES AND TAXPAYERS

ACHIEVE RESPONSIBLE ASSET MANAGEMENT

OPERATE EFFICIENTLY AND EFFECTIVELY

ENSURE FINANCIAL ACCOUNTABILITY

MAINTAIN A WORLD-CLASS WORKFORCE AND A WORLD-CLASS WORKPLACE

CARRY OUT SOCIAL, ENVIRONMENTAL AND OTHER RESPONSIBILITIES AS A FEDERAL AGENCY

TABLE OF CONTENTS

WWW.GSA.GOV

Letter from the Administrator	5
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MANAGEMENT'S DISCUSSION AND ANALYSIS

Mission, Values and Goals	9
Organization	10
Performance Summary and Highlights	13
FY 2003 Key Performance Measures within Strategic Goal	14
Performance Validation and Verification	15
The President's Management Agenda	16
GSA's Summary of Management Challenges Identified	
by the Inspector General	20
Management Controls, Systems and Compliance with Laws	21
Federal Managers' Financial Integrity Act	21
Statistical Summary of Performance	22
Federal Financial Management Improvement Act	24
Financial Summary	25

PERFORMANCE SECTION

Introduction to Performance	33
Performance by Service/Staff Office	
Public Buildings Service	34
Federal Supply Service	51
Federal Technology Service	58
Office of Governmentwide Policy	71
Office of Citizen Services and Communications	85
Office of the Chief People Officer	93
Office of the Chief Information Officer	98
Office of the Chief Financial Officer	102
Office of Small Business Utilization	106
Office of Performance Improvement	108

FINANCIAL SECTION

Letter from the Chief Financial Officer	113
Independent Auditor's Report	115
Letter of Transmittal from the Inspector General	115
Report of Independent Auditors	117
Inspector General's Report on Internal Controls over Performance Measures	130
 Financial Statements	
Principal Financial Statements	132
Notes to Principal Financial Statements	142
Required Supplementary Information	162
 Supplemental Consolidating Statements	164
Supplemental Consolidated Statement of Operations	164
Supplemental Consolidated Statement of Cash Flows	166
 Supplemental Information and Other Reporting Requirements	168
Management Challenges Identified by the Inspector General	168
Debt Management	180
Cash and Payments Management	181
Erroneous Payments Management	182

APPENDICES

Data Sources	185
Summary Chart of Goals and Measures	189
Acronyms and Abbreviations	197

LETTER FROM THE ADMINISTRATOR

FY 2003 PERFORMANCE AND ACCOUNTABILITY REPORT

In 2001, GSA associates embarked on a performance improvement initiative to "Create a Successful Future at GSA." This ongoing initiative focuses on improving GSA's organizational capabilities and performance in providing services to other federal agencies enabling them to achieve their missions of service to the American people. Now, clear signs of our progress toward that successful future are very apparent. We have successfully implemented a rigorous Performance Management Process throughout the agency and we are working collaboratively together, as a team, to achieve the challenging, customer-focused goals we have set for ourselves.

The successful future that is emerging is one in which we are not only meeting the increasing needs of federal agency customers for our traditional services of providing superior workplaces and acquisition management services, but we are also meeting the emerging needs for new services, including providing Internet access directly to the American people for a more efficient means of obtaining information, completing transactions and interacting with their government.

For example, the vision of providing Internet access to citizens seeking information about government programs or completing transactions became a reality in FY 2003 as GSA launched its FirstGov.gov Web site becoming a single portal or "front-door" to the federal government. This was one of the President's Management Agenda eGov initiatives called, "USA Services." The FirstGov.gov Web site accommodated more than 60 million visits in FY 2003 and this rate is expected to grow rapidly. Also in FY 2003, USA Services handled 2.5 million telephone inquiries and 100,000 e-mails. Federal agencies can rely on GSA's USA Services system to provide an integrated approach for providing information about government agencies to the public rather than having each agency develop their own separate system. As a result of USA Services, GSA helped federal agencies save approximately \$21 million in FY 2003.



Additionally, GSA has actively participated in other eGov initiatives to improve efficiency and better serve the public, including the following:

- GSA established the "Government without Boundaries" pilot, which developed an interoperable approach to provide federal, state and local parks and recreation information at a single Web site called "Recreation One-Stop." Vacationers will be able to find all the information they need in one place.
- GSA established a partnership with Los Angeles County so that they can add information about local programs and resources to the federal GovBenefits Web site. This means that Los Angeles County citizens can go to this Web site to learn about benefits available from all levels of government.
- GSA helped establish an intergovernmental Board of Directors to coordinate the sharing of geospatial data maintained by federal, state and local governments. This information, which was formerly created by surveyors and printed on maps, is now obtained through satellites and advanced telemetry and is crucial to many government functions including Homeland Security.

Finally, another example of new services provided by GSA is the fact that GSA managed the disbursement of \$650 million to state governments as required by the Help America Vote Act. This money enables states to purchase modern technology for conducting elections.

FY 2003 was an exceptional year for GSA in terms of the volume of products and services that federal agency customers, both military and civilian, called upon us to provide.

GSA supply operations are a component of the National Supply System, the global logistics network that sustains the Department of Defense in times of peace and in times of war. Our shipments are linked with military supply chains. GSA shipments from the distribution centers have increased

Continued on following page

\$124 million over FY 2002. This increase is due primarily to military deployment activities.

In support of the rapid deployment of troops in Afghanistan, the GSA Express Store in Kaiserslautern, Germany expedited the air shipment of a variety of vitally needed supplies, including first aid kits. The GSA Express Store in Sigonella, Italy provided primary supply support to the Navy in the Mediterranean and Gulf Theater.

In support of Operation Iraqi Freedom, the Eastern Distribution Center became a primary source of supply for military personnel serving in Iraq and the Persian Gulf. Military being deployed sharply increased their emergency orders, particularly during January. We expedited thousands of orders for same day shipment/next day delivery.

Both military and civilian agencies used GSA's Multiple Award Schedule Contracts to acquire over \$14 billion of Information Technology products and services in FY 2003, eight percent higher than FY 2002.

GSA worked in partnership with the Department of Homeland Security to establish their temporary National Headquarters in Washington. This included furniture, furnishings and office support for housing for more than 600 associates, including the Homeland Undersecretary and Assistant Secretaries. Work was accomplished in four phases, including the design of space, contract award, procurement and installation of furniture. We also provided telecommunications and support for move-in.

In the area of telecommunication services, during FY 2003, the low prices GSA has negotiated for the Network Services Long Distance Program under the FTS 2001 contracts saved federal agencies an estimated \$506 million compared to the cost which would be incurred using typical rates of a representative, large commercial contract. Depending on the category of service, savings range from 31% to 67% below best comparable prices with an average savings of 56% below commercial pricing.

One of GSA's newest responsibilities stems from a new law enacted to help state and local governments save money by authorizing them to purchase information technology products and services from contractors on GSA's Federal Supply Service Multiple Award Schedule. The regulatory action to implement the authority contained in Section 211 of the Cooperative

Purchasing Act was completed in May 2003. To date, over 710 contractors have signed up to participate in cooperative purchasing. GSA is conducting outreach and training through state and local government purchasing associations.

The Reports Consolidation Act of 2000 requires each agency head to assess the completeness and reliability of the financial and performance data used in the report. I am pleased to report that the data contained in this report is complete and reliable. The data gathered through the Public Buildings Service STAR system has been a concern, but the quality is improving.

During FY 2003, GSA management uncovered cases where certain GSA associates failed to follow proper acquisition procedures in some Federal Technology Service Clients Support Centers. This information was turned over to GSA Inspector General for further investigation. We have taken disciplinary and remedial action and will continue to do so to maintain the integrity of our acquisition programs.

We are pleased that for the 16th consecutive year, independent auditors have given our financial statements a clean opinion. However, the opinion of the independent auditors on the effectiveness of GSA's Internal Control over financial reporting identified areas of non-conformance related to our newly implemented financial management system. Except for this non-conformance and two prior year non-conformances, I certify that GSA's management control systems, taken as a whole, provide reasonable assurance that the objectives of the Federal Managers' Financial Integrity Act (FMFIA), Section 2 and Section 4 and the Federal Financial Management Improvement Act (FFMIA), are being achieved. This matter and other pertinent issues are discussed further in the Management Controls, Systems and Compliance with Laws section of this report.

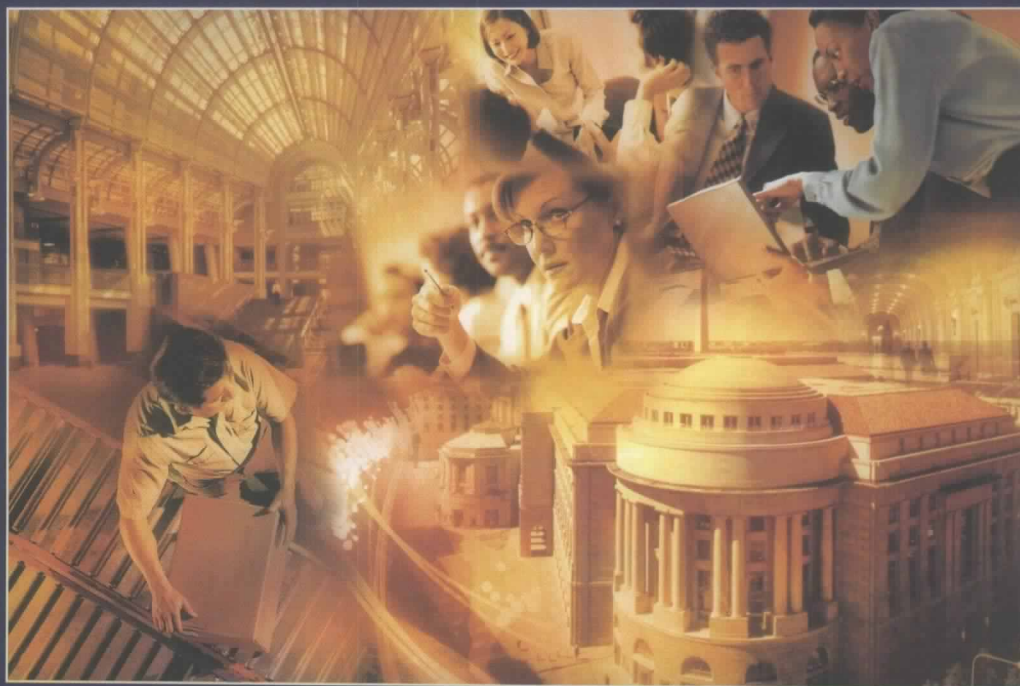
I invite you to review this performance and accountability report to learn more about the accomplishments of GSA associates during FY 2003 and our plans for the future.

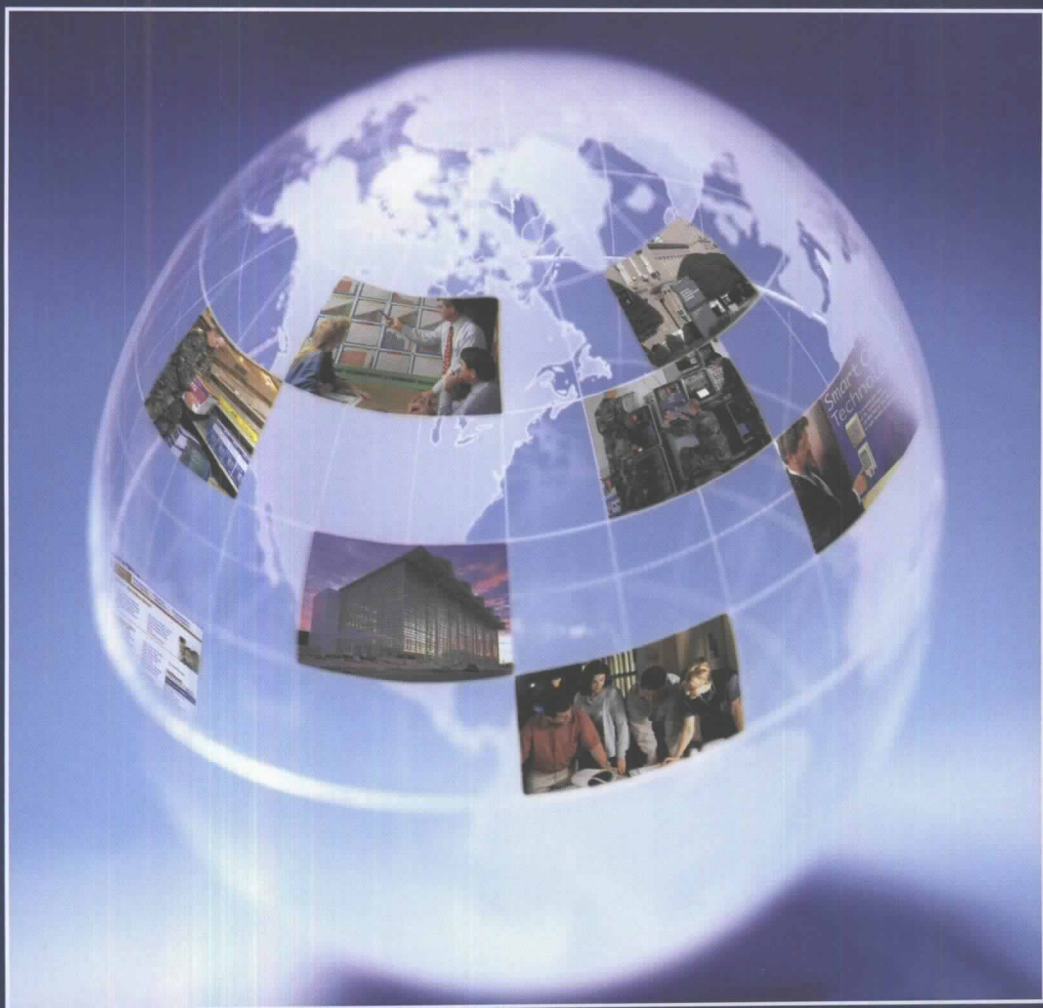


Stephen A. Perry
Administrator

December 18, 2003

Management's Discussion and Analysis





MISSION, VALUES AND GOALS

GSA has been carrying out its mission to acquire and provide goods, services and facilities in support of the needs of Federal agencies for 53 years.

GSA MISSION STATEMENT

GSA HELPS FEDERAL AGENCIES BETTER SERVE THE PUBLIC BY OFFERING, AT BEST VALUE, SUPERIOR WORKPLACES, EXPERT SOLUTIONS, ACQUISITION SERVICES AND MANAGEMENT POLICIES.

The agency's mission is strongly rooted in GSA's original authorizing legislation, the Property and Administrative Services Act of 1949. By consolidating the federal government's real estate, supply and other management support functions, agencies run more efficiently thereby providing savings and other benefits to the taxpayers. GSA also works with all the federal departments and agencies to establish management policies that will lead to greater success in the future. Today for the great majority of functions, agencies are able to determine for themselves whether GSA's centralized services are their best value as these have become "non-mandatory."

The mission of GSA comes to life as its associates are guided by GSA's values.

GSA VALUES

ETHICS AND INTEGRITY IN EVERYTHING WE DO
—
RESPECT FOR FELLOW ASSOCIATES
—
RESULTS ORIENTATION
—
TEAMWORK
—
PROFESSIONALISM

The importance of these values was underscored this year when contracting irregularities came to light in a Federal Technology Service (FTS) regional office. When this occurred, the GSA Inspector General was requested to conduct an audit, which found a number of improper practices. Once the problems were known, GSA's response was forged by its values, particularly, "Ethics and integrity in all we do," and "Professionalism."

STRATEGIC GOALS

PROVIDE BEST VALUE FOR CUSTOMER
AGENCIES AND TAXPAYERS
—
ACHIEVE RESPONSIBLE ASSET MANAGEMENT
—
OPERATE EFFICIENTLY AND EFFECTIVELY
—
ENSURE FINANCIAL ACCOUNTABILITY
—
MAINTAIN A WORLD-CLASS WORKFORCE AND
A WORLD-CLASS WORKPLACE
—
CARRY OUT SOCIAL, ENVIRONMENTAL AND
OTHER RESPONSIBILITIES AS A FEDERAL AGENCY

ORGANIZATION

GSA's path to a successful future is outlined by the six GSA-wide strategic goals. These goals were established to provide a broad framework from which to build a foundation for specific performance goals and provide a context for the long-term outcomes for which GSA is striving. In the Performance Section GSA will report how well it is doing against each of these goals for every Service and Office.

The strategic goals also provide a bridge from GSA's internal management to the President's Management Agenda (PMA) (page 16). For example, under the eGov initiative GSA is harnessing the power of the Internet to provide information to citizens and its customers and to process transactions. The Internet is leading GSA into the twenty-first century. GSA manages FirstGov.gov, the award-winning official Web portal of the government. It pulls together more than 180 million federal and state government pages. Here, the public can get easy-to-understand information and services from the government 24 hours a day, seven days a week.

The public can also use FirstGov.gov's Citizen Gateway to transact business with the government and to access information on topics such as Social Security, taxes, surplus government property and more. Citizens can send e-mail via "Contact Us." Just click on Uncle Sam on the FirstGov.gov home page. GSA works closely with other federal agencies and state governments to make information easily navigated by the public. This means additional traffic for agency Web sites. The journey continues toward global solutions.

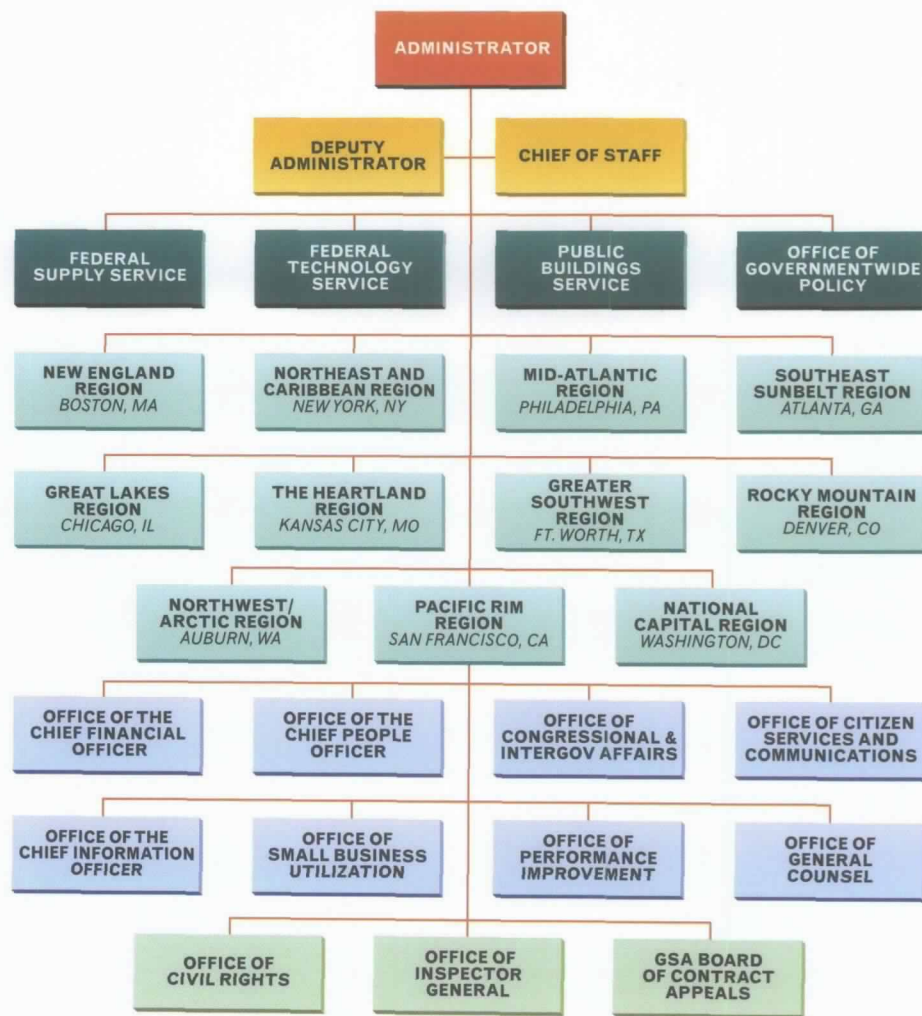
The basic foundation of any business or agency is its organizational structure. GSA provides goods and services and develops policy through a network of 11 regional offices and a central office in Washington, DC. The Central Office consists of three services responsible for coordinating nationwide programs; two offices that support federal agencies and citizen-oriented organizations, respectively; and eight staff offices that support the GSA organization.

■ **PUBLIC BUILDINGS SERVICE (PBS):** PBS is the largest public real estate organization in the nation and a provider of workspace and workplace solutions to more than 100 federal agencies.

PBS's mission is to provide a superior workplace for the federal worker and superior value for the U.S taxpayer. The challenge of managing the dynamic tension between these two objectives is at the heart of GSA's business processes.

PBS conducts two fundamental activities. The first is space acquisition, either by lease or construction. It translates needs into discrete requirements, marshals the necessary resources and sees that the space is delivered. The second fundamental activity is life-cycle management of space. This involves making decisions on maintenance, servicing tenants and ultimately, deciding when and how to dispose of a property at the end of its useful life.

■ **FEDERAL SUPPLY SERVICE (FSS):** FSS manages a large diverse marketplace in which hundreds of thousands of federal customers are brought together with more than 9,000 contractors. FSS has five business lines. *Commercial Acquisition* provides federal customers access to more than four million services and products. *Travel and Transportation* provides a broad range of services from discount airfares to express delivery of packages to freight. *Vehicle Acquisition and Leasing Services* buys over 58,000 vehicles annually and manages a worldwide fleet of over 185,000 vehicles. *Personal Property Management* reassigns

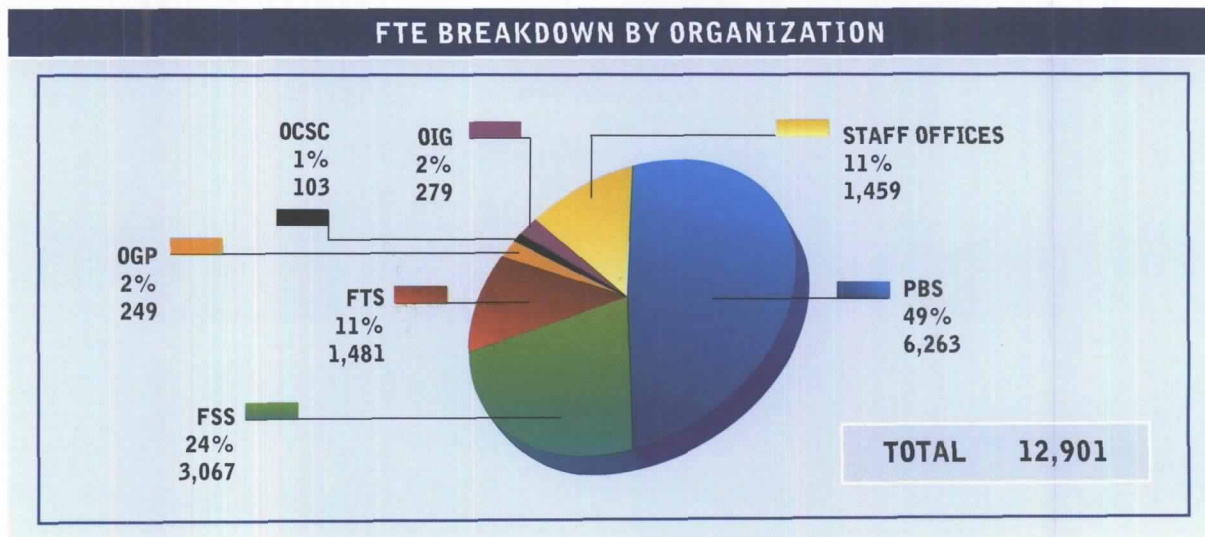


or sells such items as furniture, computers and equipment no longer needed by the government. *Global Supply* maintains an inventory of over 7,000 items that can be shipped in large quantities at short notice.

■ **FEDERAL TECHNOLOGY SERVICE (FTS):** FTS provides information technology (IT) solutions and telecommunications to federal agencies and other authorized users. FTS connects agencies with private sector providers through contracts that leverage government buying power to provide sophisticated IT and telecommunications products and services at competitive prices.

■ **OFFICE OF GOVERNMENT-WIDE POLICY (OGP):** OGP provides a policy infrastructure that supports federal agencies in the management of property, technology and administrative services.

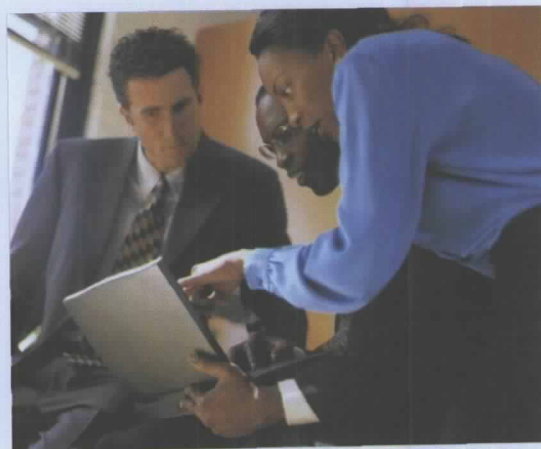
■ **OFFICE OF CITIZEN SERVICES AND COMMUNICATIONS (OCSC):** OCSC is aimed at creating a more citizen-centric, results-oriented federal government. OCSC has opened the way for citizens to interact with government by creating a single electronic front door to the services and information they require in the medium they prefer: the Web, email, telephone, fax or print.



Central Office and the regions are supported by a number of Staff Offices:

- The **OFFICE OF THE CHIEF PEOPLE OFFICER (OCPO)** provides human capital strategic direction, human resources (HR) support and related functions.
- The **OFFICE OF THE CHIEF INFORMATION OFFICER (OCIO)** guides the development and management of GSA IT.
- The **OFFICE OF THE GENERAL COUNSEL (OGC)** provides legal support and policy guidance.
- The **OFFICE OF PERFORMANCE IMPROVEMENT (OPI)** identifies, develops and executes changes that will enhance GSA management, particularly with respect to competitive sourcing.
- The **OFFICE OF SMALL BUSINESS UTILIZATION (OSBU)** provides opportunities for small and disadvantaged businesses to participate in government acquisition.
- The **OFFICE OF CONGRESSIONAL AND INTERGOVERNMENTAL AFFAIRS (OCIA)** operates as a liaison between GSA and Congress.
- The **BOARD OF CONTRACT APPEALS (BCA)** hears and decides contract disputes between government contractors and GSA or other executive agencies.
- The **OFFICE OF THE CHIEF FINANCIAL OFFICER (OCFO)** conducts the performance process including strategic planning, budgeting and the performance management cycle within GSA, manages GSA's core accounting system, prepares financial statements and reports, develops policies and performs financial operations.

In FY 2003, GSA had 12,901 full-time equivalent employees (FTE). Staffing levels have been consistent since 1998. However, in early FY 2003 the Federal Protective Service and the Federal Computer Incident Response Center, representing over 500 FTE, were transferred to the Department of Homeland Security (DHS). A detailed discussion of the transfer of functions can be found in Note 13 of the Financial Statements on page 159.



Our associates are partners in GSA's business success.

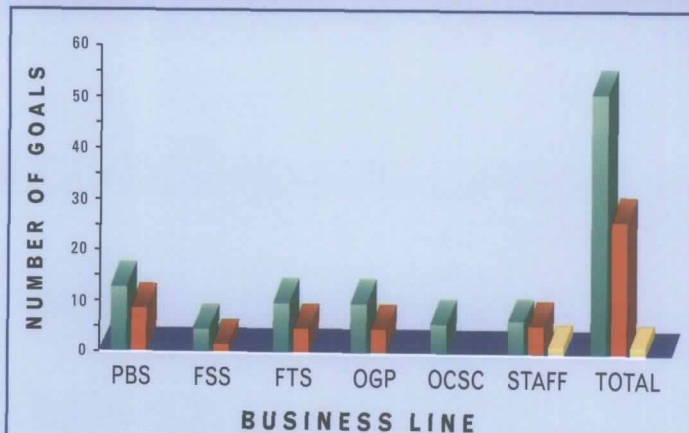
PERFORMANCE SUMMARY AND HIGHLIGHTS

During FY 2003, GSA performed its mission by pursuing its six agency-wide strategic goals, listed on page 9 which reflect the breadth of the Agency's mission. The GSA FY 2003 Performance Plan (available online at www.gsa.gov) outlines the specific performance goals undertaken to fulfill the strategic goals. Specific performance measures are established within each performance goal as a gauge for meeting these goals. The six strategic goals are inter-related and accordingly many of the performance goals apply to more than one strategic goal.

This section highlights the most significant GSA-wide FY 2003 performance goals identified by GSA management and related performance results. A chart of Key Performance Measures follows the discussion. Detailed performance information for all GSA Services and Offices is contained in the Performance Section.

The chart below of Key Performance Measures and the table that follows show that, in general, GSA met or exceeded expectations for 65 percent of its FY 2003 performance goals. GSA is becoming more sophisticated in its use of the Performance Measurement Tool (PMT) system to closely track results. Future plans include fully incorporating performance measures into the performance evaluations of individual associates. Plans also include utilizing the Performance Management Process (PMP) to integrate budget and performance and focus on long-term outcomes. Additional information on all performance goals with past results can be found in the Performance Section beginning on page 33 and in Appendix II, The Summary Chart of Goals and Measures beginning on page 189.

GSA PERFORMANCE GOALS SUMMARY



NUMBER OF PERFORMANCE GOALS

	MET	NOT MET	TBD
PBS	13	9	0
FSS	5	1	0
FTS	10	5	0
OGP	10	5	0
OCSC	6	0	0
STAFF	7	6	1
TOTAL	51	26	1

FY 2003 KEY PERFORMANCE MEASURES WITHIN STRATEGIC GOAL

STRATEGIC GOAL/ SERVICE OR OFFICE	MEASURES	FY 2003 TARGET	FY 2003 ACTUAL
PROVIDE BEST VALUE FOR CUSTOMER AGENCIES AND TAXPAYERS			
Public Buildings Service	Percent of Ordering Officials that are highly satisfied in their business dealings with PBS	68%	72%
Public Buildings Service	Percent of tenants that rate the PBS leased space and services as satisfactory or better	85%	89%
Public Buildings Service	Cost of leased space relative to market	14.25%	7.41%
Federal Supply Service	Percent growth in Federal agency usage of the FSS programs over FY 2002's \$27.3B	3.66%	23.8%
Federal Technology Service	Percent of FTS satisfied customers as indicated on annual customer survey	\$28.3B	\$33.8B
Federal Technology Service	Percent of FTS satisfied customers as indicated on annual customer survey	75%	79.5%
Federal Technology Service	Percent of task and delivery orders subject to the fair opportunity process	80%	85%
ACHIEVE RESPONSIBLE ASSET MANAGEMENT			
Public Buildings Service	Percent of non-revenue producing space in PBS inventory	11.5 %	11.1%
Public Buildings Service	Percent of government-owned assets achieving a positive "Funds from Operations"	82%	73%
OPERATE EFFICIENTLY AND EFFECTIVELY			
Federal Technology Service	Percent of negotiated award dates for services and commodities that are met or bettered	90%	91%
ENSURE FINANCIAL ACCOUNTABILITY			
Office of Chief Financial Officer	Percent of vendor invoices received electronically by Electronic Data Interchange (EDI) through the Internet	50%	44%
Office of Chief Financial Officer	Percent of vendor payments made by electronic media such as Electronic Funds Transfer and purchase credit card	81%	88%
MAINTAIN A WORLD-CLASS WORKFORCE AND WORLD-CLASS WORKPLACE			
Office of the Chief People Officer	Percentile rank in the Gallup Q12 survey which measures the culture of the agency	67th percentile	75th percentile
CARRY OUT SOCIAL, ENVIRONMENTAL AND OTHER RESPONSIBILITIES AS A FEDERAL AGENCY			
Office of Small Business Utilization	Percentage of contracting opportunities provided to small business	40%	TBD

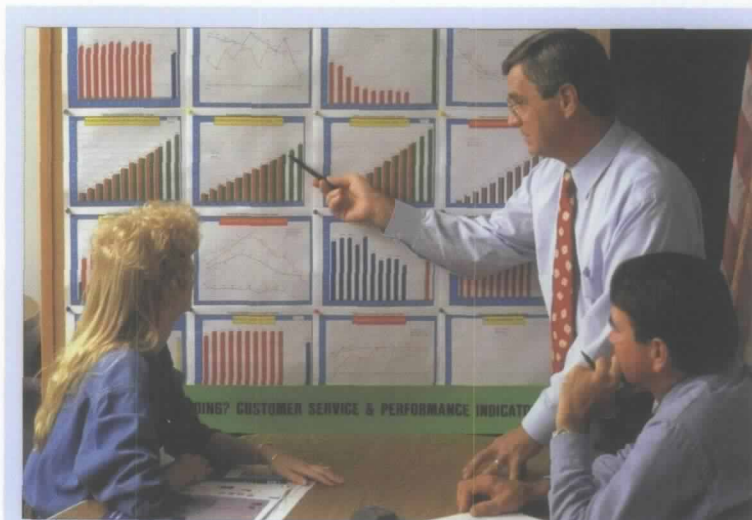
PERFORMANCE VALIDATION AND VERIFICATION

To make reporting useful and reliable it is imperative to demonstrate that performance measures are backed by accurate, reliable data; valid reliable data are important to support management decisions on a day-to-day basis. GSA uses a broad range of performance goals and measures. The data and the means to validate and verify the measures are also diverse. A general discussion of each of those sources follows. Appendix I includes the specifics of data sources for the goals and measures.

CONTROLS AND PROCEDURES











GSA's performance measurement data can be divided into five types. The controls and procedures used to validate and verify each type are outlined below.

- 1 **FINANCIAL DATA:** As stated above, GSA has a high degree of confidence in its financial data. Normal audit and other financial controls maintain the integrity of these data elements. During the FY 2003 financial statement audit, various tests and reviews of the core accounting system and internal controls were conducted as required by the Chief Financial Officers Act.
- 2 **DATA FROM LARGE COMPUTER SYSTEMS:** GSA has undertaken an extensive process of systems certification to ensure that its computer systems operate as intended. Data quality is also maintained through ongoing training. Finally, many of the problems with the System for Tracking and Administering Real Property (STAR) and other large computer systems are related to the conversion of old databases "as is." As these databases are cleaned up, the errors from this source will be eliminated.
- 3 **DATA FROM MANUAL OR SMALL FEEDER COMPUTER SYSTEMS:** For these systems GSA stresses confirmation so that more than one person is responsible for data and written policy and procedures.
- 4 **BENCHMARK DATA FROM EXTERNAL SOURCES:** Where there is a close correspondence between a GSA activity and a private sector counterpart, GSA utilizes external data as a benchmark. When GSA does this it strives to find highly reputable sources of data that are recognized as industry standards including the Gallup Organization, Building Owners and Managers Association, Society of Industrial and Office Realtors (SIOR) and the Logistics management Institute.
- 5 **DATA OBTAINED UNDER CONTRACT:** GSA often contracts with outside polling firms, such as the Gallup Organization, to develop customer satisfaction or other survey data. Use of an outside contractor can make customers more eager to participate and add credibility to the results. In using such data, GSA always deals with reputable firms that are leaders in the industry. GSA's contract provisions require that sound business practices be followed and GSA follows-up to make sure it can have confidence in the results. All of these firms have their own validation and verification procedures.



Timely, reliable information measures and affects performance in a real time environment.

THE PRESIDENT'S MANAGEMENT AGENDA

GSA'S STATUS AND PROGRESS		
INITIATIVE	CURRENT STATUS	PROGRESS
HUMAN CAPITAL		
COMPETITIVE SOURCING		
FINANCIAL PERFORMANCE		
E-GOVERNMENT		
BUDGET AND PERFORMANCE INTEGRATION		

GSA has made significant progress in each of the five initiatives under the President's Management Agenda (PMA). Each quarter, the President releases an Executive Scorecard, which rates progress and overall status in each management area. These scores are rated using a "traffic light" system and are based on criteria released by the Office of Management and Budget during fiscal year 2001. As of September 30, 2003, GSA was green on progress in four out of the five initiatives; those initiatives were Human Capital, Electronic Government, Financial Management and Competitive Sourcing. The following pages provide a brief description of each initiative, provides the current status of the management program and describes our progress to "get to green" as GSA implements the PMA with the ultimate goal of improving government performance and providing better service to citizens.

WHAT PROGRESS INDICATES

OMB assesses agency "progress" on a case by case basis against the deliverables and time lines established for the five initiatives that are agreed upon with each agency as follows:



Implementation is proceeding according to plans agreed upon with the agencies;



Some slippage or other issues requiring adjustment by the agency in order to achieve the initiative objectives on a timely basis; and



Initiative in serious jeopardy. Unlikely to realize objectives absent significant management intervention.

P M A


**Strategic Management
of Human Capital**


PROGRESS

BACKGROUND: The Human Capital Initiative requires federal agencies to develop both a vision and a roadmap for strategically managing their workforces so they can better accomplish their missions on behalf of the American people. Agencies are required to build, sustain and effectively deploy a skilled, knowledgeable, diverse workforce to meet the current and emerging needs of the federal government.

STATUS: GSA is currently "red" in status but is on track to improve its status to yellow. The agency is in the process of developing organization specific Human Capital Strategies for eight of its major organizations. These strategies will link business plans to the agency's overall Human Capital Strategic Plan and the GSA Strategic Plan. In effort to link all of these strategies together the agency will issue a performance appraisal policy based on these plans so managers and associates can link individual performance to the GSA mission.

PROGRESS: GSA continues to be "green" in progress for this initiative. Among many other activities, during FY 2003, GSA assessed skill gaps of its associates and developed plans to address them for 3 mission critical occupations: Financial Management, Realty Specialists and Acquisition personnel. GSA also developed succession plans for its Executive Leadership Corps and the above mentioned mission critical occupations. In turn, it developed human capital measures for GSA and is developing a Human Capital Accountability System. As part of this accountability system the Human Capital performance measures will be part of individual assessment ratings. During the last year GSA developed and implemented a performance rating system for its Senior Executive Service and intends to cascade this process to all associates in the coming year.


Competitive Sourcing


PROGRESS

BACKGROUND: The goal of competitive sourcing, one of President Bush's Management Agenda initiatives, is to improve agency performance by using the A-76 process to conduct public/private competitions of an agency's commercial activities or functions. GSA has established an infrastructure to accomplish this goal.

STATUS: Since the establishment of the competitive sourcing goals by the President in FY 2001, GSA has moved from "red" to "yellow" on the President's quarterly Executive scorecard for "Current Status." This score was achieved during the 4th quarter of FY 2003. Additionally, the agency has developed a long-term competitive sourcing plan that covers potential studies through FY 2007, completed 3 Streamlined Competitions under the Revised Circular of the FTS' Financial Service Centers within 90 days and completed 1 Standard Competition under the old Circular of FSS' National Customer Service Center in 15 months. Currently, GSA has a number of studies underway for FY 2004. Finally, GSA submitted its FY 2003 FAIR Act Inventory to OMB, with justifications, on June 30, 2003 and is awaiting guidance from OMB for its "Green" plan or long-term plan.

PROGRESS: GSA completed four competitions (1 Standard and 3 Streamlined) covering a total of 146 FTE in the 4th Quarter of FY 2003. The Office of Performance Improvement (OPI) provided training on Competitive Sourcing to associates in each of GSA's 11 regions, as well as Central Office personnel. OPI also coordinated and chaired the last two Government-wide Conferences on Competitive Sourcing, co-sponsored by the Office of Federal Procurement Policy (OFPP) and the Federal Acquisition Council (FAC). As a regular course of business, OPI maintains a monthly report on all of GSA's Competitive Sourcing Studies with detailed information on costing data, key milestone dates for study completion and the numerous key officials participating in each study.



STATUS

Improved Financial Performance



PROGRESS

BACKGROUND: This initiative is intended to improve the quality of the federal government's financial information so agencies can improve the integrity and efficiency of their operations. The goal is to improve financial performance by ensuring that federal financial systems, in particular, produce accurate and timely information. This data is critical to federal business line managers who rely on it in their daily decision-making. Short-term objectives of the initiative include reducing erroneous payments and sustaining or achieving successful financial audits.

STATUS: Currently, GSA remains "yellow" on the Executive Scorecard. GSA needs to demonstrate that its business line managers use the financial information in the accounting system to make daily business decisions. The agency plans to provide the Office of Management and Budget (OMB) with a demonstration of decision-makers' use of financial data to implement program decisions during December 2003.

PROGRESS: As of September 30, 2003 GSA continues to be green in program progress. GSA received a clean audit opinion for the 16th consecutive year and successfully met its accelerated and new financial reporting requirements. The agency also met the other standards for success required by the President and his management team. GSA remains in compliance with the Federal Managers Financial Integrity Act, has no material or internal control weaknesses and is in compliance with the Anti-Deficiency Act. In addition, GSA is developing a sequencing plan for migrating its remaining legacy financial applications into the agency's core accounting system, Pegasys. GSA also implemented a number of initiatives to improve financial performance, such as establishing a project management office, a recovery audit program and developing a quality assurance program for its intergovernmental accounting transactions.



STATUS

Expanded Electronic Government

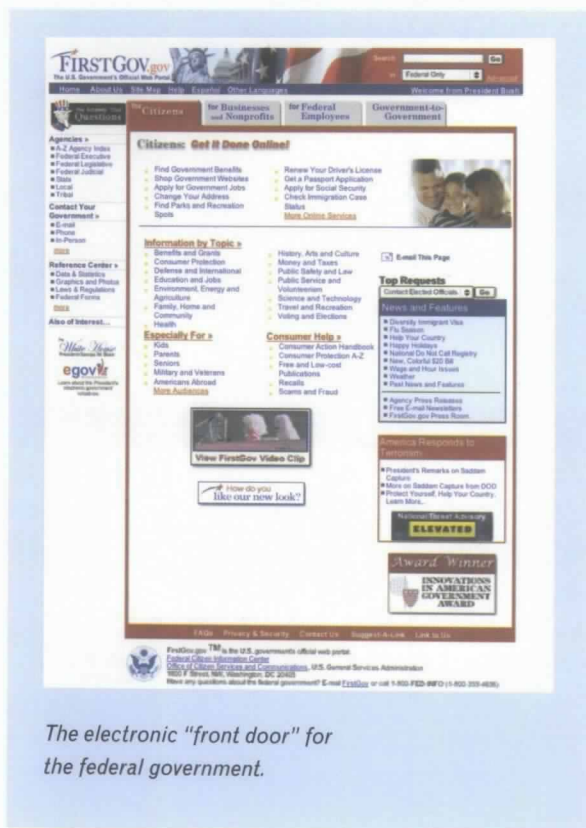


PROGRESS

BACKGROUND: As part of the President's Management goal to create a citizen-centered electronic government, he has outlined a number of criteria for agencies to meet to achieve this aim. A citizen-centered government could reduce redundant, wasteful spending because it would consolidate multiple citizen service projects into a single solution. Under this initiative, GSA continues to make strides in providing a model for other agencies in the area of electronic government. GSA's Office of Citizen Services' FirstGov program provides such a model. However, the agency isn't just looking at its external electronic government program, but also its internal IT management. During the past year, GSA has strengthened its business cases used to justify IT spending, ensured that projects are well managed and improved system security.

STATUS: As of this date, the Agency remains "red" in status. GSA is working diligently on improving this rating by 1) developing a business case for the Agency enterprise-wide Customer Relationship Management (CRM) system, 2) meeting IT investment cost/schedule/performance goals, 3) continuing to make progress on completing GSA's Financial Management Enterprise Architecture and 4) certifying and accrediting 80% of the agency's operational IT systems. GSA's goal is to certify and accredit 80% of its operational IT systems by FY 2005.

PROGRESS: The agency remains "green" in progress. The Office of the Chief Information Officer (OCIO) is GSA's lead for the President's Management Agenda government-wide initiative "Expanding Electronic Government." The five Electronic Government projects for which GSA has the lead, for all government agencies, serve both internal and external customers. The five projects include eAuthentication, eTravel, Integrated Acquisition, Federal Asset Sales and USA Services. GSA has developed a to-be enterprise architecture for financial management.



The electronic "front door" for the federal government.



STATUS

Budget and Performance Integration



PROGRESS

BACKGROUND: This initiative is aimed at providing a greater focus on performance. It will enhance the quality of information on program results so the government can make better spending decisions. The outcome will be better control over resources used and accountability for results by program managers.

STATUS: GSA's score for this initiative remains "red" for current status. The earliest GSA can improve its status to yellow is during the first quarter of FY 2006. This is when GSA can have less than 50% of its PARTed programs with results not demonstrated for two years in a row.

PROGRESS: The agency is "yellow" in progress. GSA faces several large challenges on this initiative, such as, developing 1) long term outcome goals, 2) efficiency measures that meet OMB definitions and 3) determining the marginal costs or savings of changing performance targets. GSA continues to work with OMB on what long-term outcome goals and measures would be optimal. Additionally, the agency is making steady progress on its Activity-Based Management program. Finally, the Administrator continues to conduct quarterly reviews of each organization's financial and performance results.

GSA'S SUMMARY OF MANAGEMENT CHALLENGES IDENTIFIED BY THE INSPECTOR GENERAL

The Reports Consolidation Act of 2000 requires the Inspectors General of major federal agencies to report on the most significant management challenges facing their respective agencies. The Office of Inspector General's (OIG) strategic planning process commits it to addressing these critical issues. The following table briefly describes the challenges identified for GSA. These align with related work products issued by the OIG and discussed in its Semiannual Reports to the Congress.

CHALLENGES	BRIEF DESCRIPTION
PROCUREMENT ACTIVITIES	Simplified processes have reduced order and delivery time, yet competitive principles are not always followed and opportunities may be missed for less costly services and products.
CONTRACT MANAGEMENT	GSA's multibillion-dollar acquisition programs have expanded rapidly in terms of series, variety and complexity of the procurements performed. A growing list of warning signs throughout the acquisition process suggests that the technical and management skills needed by the procurement workforce to operate in this more sophisticated arena are not keeping pace with these new demands.
INFORMATION TECHNOLOGY	Technology applications have increased exponentially as "eGov" is used to better manage operations and interface with the public, but complex integration and security issues exist.
MANAGEMENT CONTROLS	Management controls have been streamlined, resulting in fewer and broader controls, making it essential that the remaining controls be emphasized and consistently followed.
AGING FEDERAL BUILDINGS	GSA is being challenged to provide quality space to federal agencies using an aging, deteriorating inventory of buildings and facing critical budgetary limitations in its modernization program.
HUMAN CAPITAL	GSA's corporate knowledge is eroding and efforts to obtain requisite skills for the future are impeded. Better recruitment and training programs are needed to develop the twenty-first century workforce.
PROTECTION OF FEDERAL FACILITIES AND PERSONNEL	GSA is responsible for protecting the life and safety of employees and public visitors in federal buildings. A broadly integrated security program is required.

The entire text of these challenges is located in the Financial Section.

MANAGEMENT CONTROLS, SYSTEMS AND COMPLIANCE WITH LAWS

FEDERAL MANAGERS' FINANCIAL INTEGRITY ACT (FMFIA) — SECTION 2

During the fiscal year that ended September 30, 2003, GSA continued its efforts to ensure that the agency has an efficient and effective system of financial programs and administrative controls. As it works to serve the American people, GSA continues to administer its programs as efficiently and economically as possible. To do this, GSA relies on its system of management controls to provide reasonable assurance that its financial obligations comply with applicable laws, its items of value are safeguarded and its operations are properly accounted for.

During FY 2003, under the chairmanship of the Deputy Administrator, the Management Control Oversight Council examined a wide range of management issues that were brought to its attention. When specific control weaknesses were identified, the process of developing and implementing corrective action was put into action immediately. Even when control weaknesses could not be discerned, the Council continued to pursue problem areas to attempt to identify an appropriate course of action to address them.

In FY 2003, no material weaknesses were identified as provided in the assurance statement provided in the Administrator's letter at the beginning of this report. However, to improve GSA's efficiency and effectiveness, one new reportable condition was identified and is being addressed concerning GSA's contract management. A number of audit findings also identified this area as a significant issue.

Specific contract-related issues included weak contractor selection criteria; task orders that were poorly crafted and did not contain appropriate clauses; and inadequate contract oversight to ensure contractors were delivering required quality goods and services. In the case of the FTS, it was discovered that some FTS services in the regions went beyond FTS's legal authorities, conducted inappropriate splitting of procurements and engaged in inadequate competition. A high-level team has been formed to address agency-wide contract management problems and FTS management has been directed to develop an aggressive action plan, which is now being implemented.

The management team at GSA is committed to working aggressively to correct this condition. GSA management is confident that the Agency's action plans will ensure that GSA meets its responsibility of providing outstanding acquisition services and, thus, the best value for the U.S. taxpayer.



United States Capitol

STATISTICAL SUMMARY OF PERFORMANCE

Section 2, Internal Control Systems – Material Weaknesses

	NUMBER OF MATERIAL WEAKNESSES			
	NUMBER AT BEGINNING OF YEAR	NUMBER CORRECTED	NUMBER ADDED	NUMBER REMAINING END OF FISCAL YEAR
PRIOR YEARS	47	45	0	2
1997 REPORT	2	2	2	2
1998 REPORT	2	0	1	3
1999 REPORT	3	0	0	3
2000 REPORT	3	0	0	3
2001 REPORT	3	0	0	3
2002 REPORT	3	0	0	3
2003 REPORT	3	2	0	0*

*The Material Weakness "Security Enhancements in Federal Facilities" was transferred to the DHS and GSA no longer has reporting responsibilities. The other DHS Material Weakness "Federal Protective Service (FPS) Control Centers" was corrected prior to transfer.

STATUS OF FY 2002 MATERIAL WEAKNESSES

GSA reported three material weaknesses at the end of FY 2002. During FY2003, two of the material weaknesses (FPS Control Centers and Security Enhancements in Federal Facilities) were transferred to the DHS and removed as GSA material weaknesses. However, prior to the transfer, GSA completed all corrective actions for the material weakness FPS Control Centers and the material weakness was closed. In order to substantiate closure of the material weakness, FPS surveyed all FPS Regional Directors to determine the effectiveness of corrective actions. The survey revealed that the weakness was corrected and the material weakness was adequately resolved.

GSA also completed all corrective actions associated with the third weakness, Multiple Award Schedule (MAS) Program. In order to correct this weakness, FSS implemented the Offer Registration System module of FSS OnLine. OIG reviewed the corrective actions taken by FSS and concurred with the decision to close the material weakness.

FEDERAL MANAGERS' FINANCIAL INTEGRITY ACT (FMFIA) — SECTION 4

	NUMBER OF SYSTEMS NON-CONFORMANCES			
	NUMBER AT BEGINNING OF YEAR	NUMBER CORRECTED	NUMBER ADDED	NUMBER REMAINING END OF FISCAL YEAR
PRIOR YEARS	8	8	0	0
1997 REPORT	0	1	1	0
1998 REPORT	0	2	2	0
1999 REPORT	0	0	2	2
2000 REPORT	2	0	0	2
2001 REPORT	2	0	0	2
2002 REPORT	2	0	0	2
2003 REPORT	2	0	1	3

SYSTEMS NON-CONFORMANCES

As required by Section 4 of the FMFIA, GSA evaluates its financial management systems annually for compliance with the federal financial management systems requirements identified in OMB Circular No. A-127, Financial Management Systems.

Based on all review work performed during 2003, it is GSA's conclusion that it is in substantial compliance with the requirements referred to in Section 4 of FMFIA and the Federal Financial Management Improvement Act (FFMIA) except for a new systems non-conformance relating to financial reconciliation and monitoring controls. In addition, progress continues to be made in addressing two prior-year systems non-conformances. These non-conformances relate to the need to improve network and application system security controls and the need to improve systems development, implementation and change control processes.

RECONCILIATION AND MONITORING CONTROLS

As a result of the FY 2003 financial statement audit, certain internal control weaknesses were identified regarding reconciliation and monitoring controls surrounding the

financial system. These weaknesses included untimely and incomplete reconciliations, insufficient reconciliation documentation and unreconciled differences that were not resolved in a timely manner.

To address these issues, management will develop and implement appropriate reconciliation policies and procedures. In addition, management will monitor reconciliation results on a monthly basis to ensure that such activities are being performed effectively. These actions will alert senior management of deficiencies in control activities in a timely manner so that adequate corrective actions can be taken. More specific action plans will be finalized in January 2004.

NETWORK AND APPLICATION SECURITY CONTROLS

Significant progress was made during 2003 to address issues raised in prior years. Specifically, OCIO continued to: issue additional IT security policy guidelines, enhance systems monitoring and Federal Computer Incident Response Capability incident reporting, provide security awareness training, maintain an IT security policy compliance database and provide monthly and quarterly IT security reports for management review.

However, GSA still needs to more effectively implement and enforce its existing security policies and guidelines. To address this challenge, GSA's OCIO has recently instituted a vulnerability mitigation program, which includes internal and external server scanning, war-dialing for modems and scanning of wireless networks to identify and correct potential security vulnerabilities. In addition, OCIO plans to enhance its periodic IT security reviews to promote improved IT security policy compliance. The planned target date to initiate this latter action is January 2004.

Also, GSA's Services and Staff Offices (SSO) will take additional actions to strengthen network and application security controls. Appropriate action plans to address these recommendations are being developed and should be finalized by January 2004.

SYSTEMS DEVELOPMENT, IMPLEMENTATION AND CHANGE CONTROLS

Additional efforts are still needed to improve controls relating to system development and implementation processes at GSA. During the past year, GSA has made progress in this area. Specifically, OCIO initiated efforts to update the Systems Development Life Cycle (SDLC) policy, which incorporated quality assurance program requirements and initiated action to establish an agency-wide Interoperability Control Board. OCIO plans to complete the SDLC policy by February 2004.

In addition, GSA's SSOs will take additional actions to strengthen change control policies and procedures and implement a systems development life cycle for GSA's financial systems. Appropriate action plans to address these recommendations are currently being developed and will be finalized by January 2004.

FEDERAL FINANCIAL MANAGEMENT IMPROVEMENT ACT (FFMIA)

The FFMIA of 1996 requires Federal agencies to implement and maintain financial management systems that comply substantially with: 1) federal financial management system requirements, 2) applicable federal accounting standards and, 3) the Standard General Ledger (SGL) at the transaction level. Under this law, Agency heads are required to assess and report on whether these systems comply with FFMIA on an annual basis.

In assessing compliance with FFMIA, GSA adheres to the revised FFMIA implementation guidance provided by OMB and considers the results of OIG and the General Accounting Office (GAO) audit reports, annual financial statement audits, A-127 questionnaire results, Federal Information Security Management Act compliance reviews and other systems-related activities.

Based on all information assessed, the GSA Administrator has determined that GSA's financial management systems are in substantial compliance with FFMIA for FY 2003 except that we identified an instance of non-compliance with the Federal financial management system requirements of FFMIA. This non-compliance relates to the lack of adequate reconciliations and monitoring controls surrounding those systems.



GSA's associates are working together to fulfill GSA's management information requirements.

FINANCIAL SUMMARY

THE ROAD TO ACCOUNTABILITY – FINANCIAL HIGHLIGHTS

For the 16th straight year, GSA's financial statements received a clean audit opinion. The independent accounting firm of PriceWaterhouseCoopers, LLP (PwC) issued the FY 2003 audit report. GSA's preparation of these statements is part of its goal in ensuring accountability over the resources that are entrusted to it as well as to provide accurate and reliable information. Agency management is accountable for the integrity of the financial information presented in the financial statements.

The financial statements and financial data presented in this report have been prepared from GSA's accounting records in conformity with generally accepted accounting principles (GAAP) in the U.S. GAAP for Federal entities are the standards prescribed by the Federal Accounting Standards Advisory Board (FASAB).

OVERVIEW OF FINANCIAL POSITION

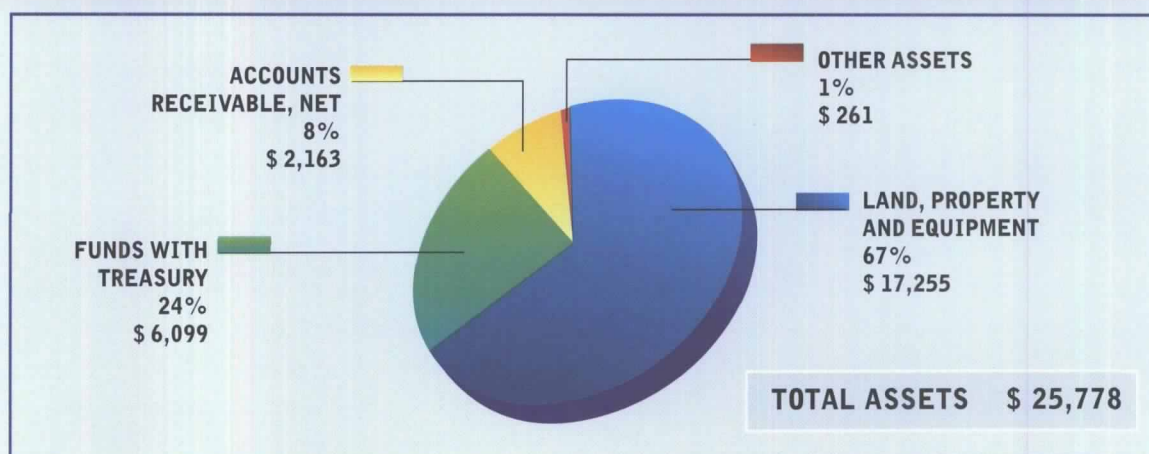
ASSETS: Total assets were \$25,778 million at the end of FY 2003. This represents an increase of \$1,369 million (5.6 percent) over the previous year's total assets of \$24,409 million. This increase is largely attributable to continued growth in GSA's primary business operations, which is reflected in capital asset purchases and alterations, increases in accounts receivable and increases in earnings that provided cash (Funds with U.S. Treasury) from operations.

GSA's assets reflected in the *Consolidating Balance Sheets* are summarized in the table below (*dollars in millions*):

Taken together Property and Equipment combined with Funds with U.S. Treasury comprise 90.6 percent of the total assets for FY 2003. The \$370 million increase in Funds with U.S. Treasury was primarily due to: (1) resources available to invest in construction of federal buildings in the Federal Buildings Fund, (2) earnings generated from GSA revolving funds and (3) improved cash management practices in the Information Technology Fund. The \$6,099 million of Funds with U.S. Treasury is generally available to GSA to liquidate outstanding commitments and to provide working capital to the revolving fund programs and contains balances that will fund future needs. While the majority of these balances (\$3,505 million) are available for such future needs, \$1,724 million of the available balance is committed to funding of building construction and alteration projects provided for in legislation. Amounts totaling \$1,444 million were unavailable for spending as of September 20, 2003 and would require future authorization or even legislation to be used.

Property and Equipment increased by the \$631 million (3.8 percent) from FY 2002. Property acquisitions of \$2.3 billion during the year, net of the recorded depreciation of \$1.5 billion and \$261 million in property disposals accounts for most of this increase. Property acquisitions in FY 2003 were primarily (\$1.7 billion) comprised of construction, modernization and alterations to buildings.

ASSETS (<i>Dollars in Millions</i>)	FY 2002	FY 2003
LAND, PROPERTY AND EQUIPMENT, NET	\$ 16,624	\$ 17,255
FUNDS WITH U.S. TREASURY	5,729	6,099
ACCOUNTS RECEIVABLE, NET	1,865	2,163
OTHER ASSETS	191	261
Total Assets	\$ 24,409	\$ 25,778

ASSETS BY TYPE (*Dollars in Millions*)**LIABILITIES** (*Dollars in Millions*)**FY 2002****FY 2003**

ACCOUNTS PAYABLE

\$ 2,195

\$ 2,549

DEBT

2,308

2,231

UNFUNDED/OTHER LIABILITIES

1,025

1,104

DEFERRED REVENUES/ADVANCES

244

271

MISCELLANEOUS LIABILITIES

88

88

Total Liabilities**\$ 5,860****\$ 6,243**

LIABILITIES: In FY 2003, total Agency liabilities increased by \$383 million (6.5 percent) to \$6.2 billion from \$5.9 billion in FY 2002. Liabilities reported on the Consolidated Balance Sheet are summarized in the table above (*dollars in millions*).

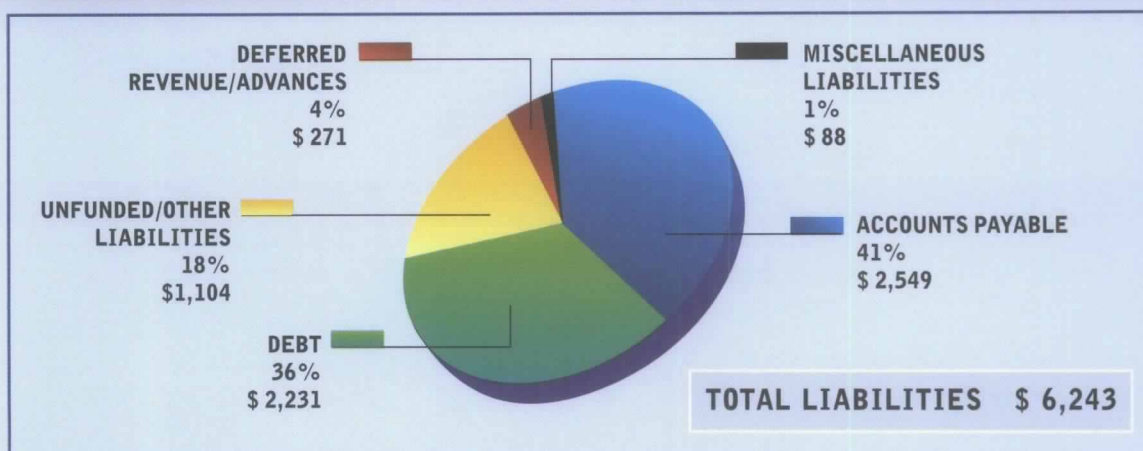
GSA's largest liability balances are accounts payable, making up 40.8 percent of the total. These balances grew \$354 million (16.1 percent) in FY 2003, following the general business growth of GSA's largest operations, particularly the Information Technology Fund activities, which comprised \$320 million of the accounts payable increase.

The \$2,231 million of debt is 35.7 percent of total liabilities, of which \$84 million is unfunded. Periodically, in lieu of

direct appropriations, GSA receives authority in its Federal Buildings Fund (FBF) to finance construction of buildings. Borrowings have been obtained from the U.S. Treasury's Federal Financing Bank, with the expenditure of the funds amortized over a 30-year period. GSA has almost depleted its authority to borrow and is currently retiring more debt than it is taking on. In FY 2003 debt decreased by \$77 million, mostly due to such debt retirements, which are covered by operating earnings in the FBF.

Liabilities totaling \$1,084 million, or 17.4 percent of total liabilities, were unfunded, i.e., budgetary resources are not yet available. For most unfunded liabilities, budgetary resources will be made available in the years balances are due, in accordance with OMB funding guidelines.

LIABILITIES BY TYPE (Dollars in Millions)



The major elements of unfunded liabilities are \$205 million for Workers' Compensation, \$369 for capital leases and installment purchases, \$206 million for reimbursements due the U.S. Treasury Judgment Fund for costs from past litigation and \$165 million for contingencies and environmental/disposal liabilities.

ENDING NET POSITION: GSA's Net Position at the end of 2003 on the Consolidated Balance Sheet and the Consolidated Statement of Changes in Net Position was \$19.5 billion, a \$986 million (5.3 percent) increase from the prior fiscal year. Net Position is the sum of the Unexpended Appropriations and Cumulative Results of Operations at the end of 2003.

The increase in Cumulative Results of Operations resulted primarily from strong earnings in GSA's revolving funds, particularly the FBF (earnings of \$668 million) and General Supply Fund (earnings of \$145 million) which mostly fund capital needs of those programs.

RESULTS OF OPERATIONS

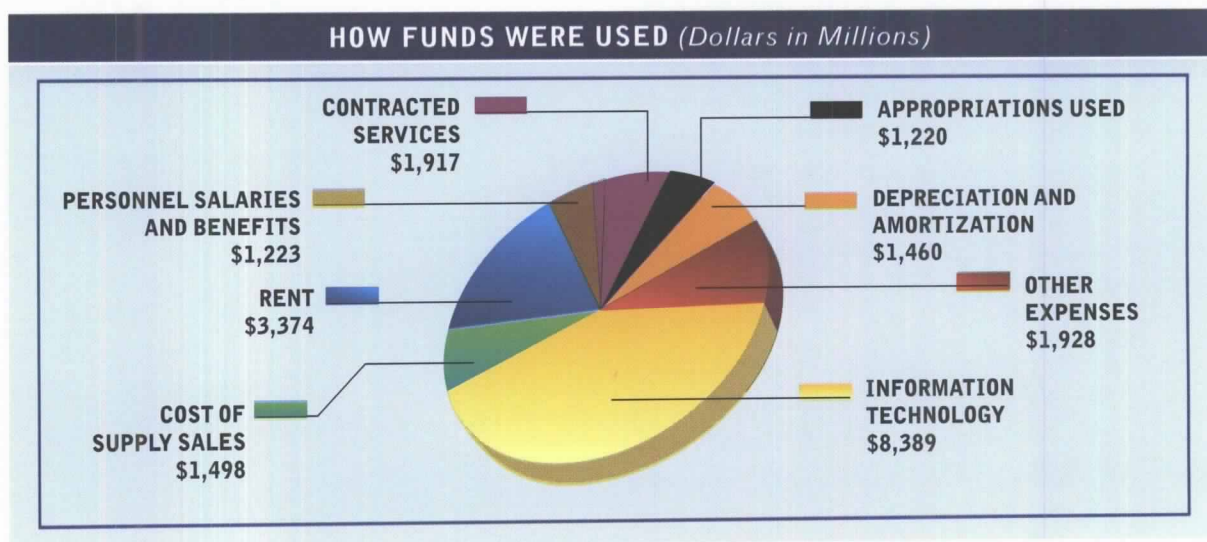
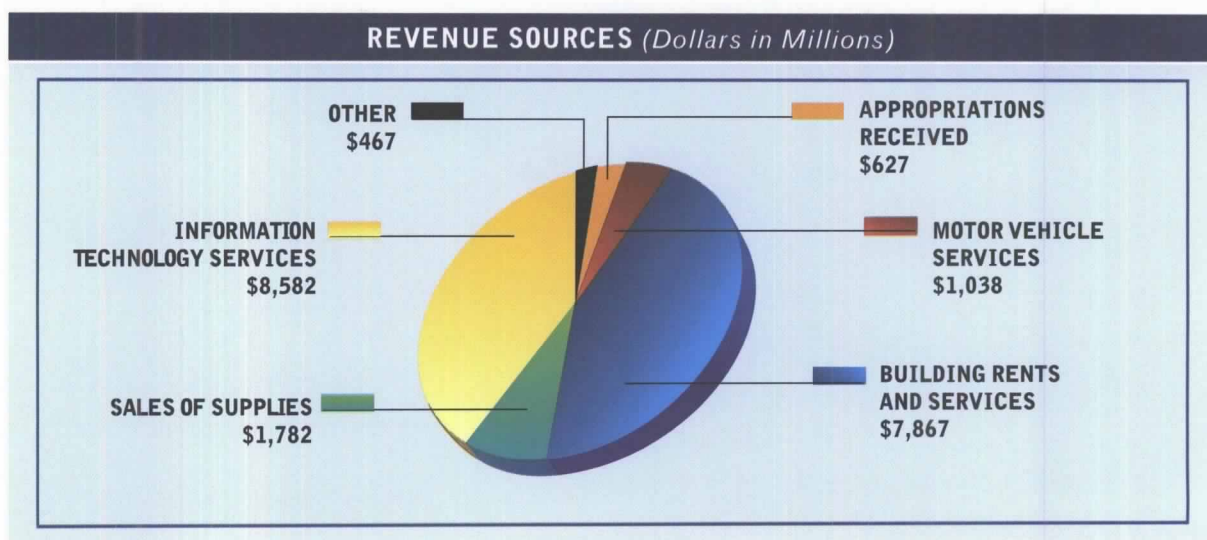
The results of operations are reported in the *Consolidated Statement of Net Cost* and the *Consolidated Statement of Changes in Net Position* and in the *Supplemental Consolidating Statement of Operations*.

The Consolidated Statement of Net Cost presents the cost less any earned revenue of operating the Agency's three largest fund entities that support its three major business divisions, the GSA Working Capital Fund and other operating funds, in reporting the Agency's Net Cost.

GSA's total Net Cost of Operations for 2003, after intra-agency eliminations, was \$53 million. This is a substantial change from FY 2002, when revenues exceeded costs by \$467 million. The primary reason for this swing was implementation of the Help America Vote Act (HAVA), which provided investments of \$665 million in U.S. state and local government voting infrastructures. Payments made in accordance with the HAVA were expensed when made. Absent the effects of the appropriated HAVA transactions, GSA's revenues exceeded costs of operations by \$612 million, a growth of \$145 million (31 percent). The largest impact fueling that growth is seen in the FBF, which

reported increased net results of \$214 million, resulting from increased efficiencies in managing the real property portfolio, as well as effects of transferring portions of its operations to the DHS which were formerly a drain on net earnings of that fund.

The following chart summarizes the activity on GSA's *Consolidated Statement of Net Cost* and the *Consolidated Statement of Net Position* by showing the funds available to GSA in FY 2003 and how these funds were used.



BUDGETARY ISSUES

Due to the alignment between programmatic priorities and resource allocation, funding for capital investment in real property remains a significant challenge. The current funding level of the FBF is inadequate to meet the demand for new construction, particularly new courthouses and the need to reinvest in the existing inventory of government-owned buildings. To address the latter, PBS launched the PBS Strategy for Restructuring and Reinvesting in the Owned Inventory. The strategy has brought new emphasis to addressing the non-performing assets in the PBS inventory. This effort, along with asset management reform legislation and continued support for Repairs and Alterations funding, is essential to reducing the \$6 billion backlog of building repair and maintenance work and providing quality workspace for our Federal customers and the visiting public.

LIMITATION OF FINANCIAL STATEMENTS

Management prepares the accompanying financial statements to report the financial position and results of operations for the General Services Administration, pursuant to the requirements of Chapter 31 of the United States Code section 3515(b). While these statements have been prepared from GSA's books and records, in accordance with the formats prescribed in OMB Bulletin 01-09, Form and Content of Agency Financial Statements, these statements are in addition to the financial reports used to monitor and control the budgetary resources that are prepared from the same books and records. These statements should be read with the understanding that they are for a component of the U.S. Government, a sovereign entity. One implication of this is that unfunded liabilities reported in the statements cannot be liquidated without legislation that provides resources to the agency.



During FY 2003 GSA's Financial community was challenged to redefine and streamline work processes to meet accelerated reporting dates.

